

Message Text

UNCLASSIFIED

PAGE 01 KINGST 02577 151728Z
ACTION ARA-14

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-01
INR-10 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06
SP-02 LAB-04 SIL-01 OMB-01 PA-02 NSC-05 SS-15
STR-07 CEA-01 /102 W
-----121758 160420Z /75

R 151446Z MAR 78
FM AMEMBASSY KINGSTON
TO SECSTATE WASHDC 0220

UNCLAS KINGSTON 2577

E.O. 11652: N/A
TAGS: EINV, JM
SUBJECT: TIGHT FINANCIAL SQUEEZE FOR GOVERNMENT-OWNED
ENTERPRISES FORESEEN

1. ACCORDING TO A LEAD STORY IN THE JAMAICA DAILY NEWS,
THIRTY-SIX GOVERNMENT OF JAMAICA (GOJ) ENTERPRISES FACE
A BLEAK FINANCIAL FUTURE. BY 1980 THESE FIRMS WILL BE
NEEDING J\$739 MILLION TO MEET INVESTMENT NEEDS AND COVER
DEFICITS ON CURRENT ACCOUNT. OF THIS TOTAL J\$547 MILLION
WILL BE NEEDED BY FOUR MAJOR PROJECTS -- THE PROPOSED NEW
CEMENT PLANT, JAVEMEX, JAMEX AND JALUMEX -- OVER THE
THREE-YEAR PERIOD 1977-80.

2. ACCORDING TO THE MEMORANDUM ON THE 1977-78 BUDGET,
THE EQUITY CONTRIBUTION FROM COUNTRIES IN PARTNERSHIP WITH
JAMAICA ON THESE PROJECTS (MEXICO AND VENEZUELA) WILL
PROVIDE J\$87 MILLION. THE REMAINING J\$460 MILLION WOULD HAVE
TO BE RAISED LOCALLY AND ON INTERNATIONAL MONEY MARKETS.
THE OTHER 32 ENTERPRISES WILL BE NEEDING J\$279 MILLION.
THE RESOURCE GAP BREAKDOWN SHOWS J\$85.5 MILLION FOR 1977-78;
J\$112.8 MILLION IN 1978-79 AND J\$80.6 MILLION FOR 1979-80.

3. DESCRIBING THE REQUIREMENT AS A HERCULEAN TASK
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 KINGST 02577 151728Z

IN THE LIGHT OF THE CURRENT ECONOMIC DIFFICULTIES, THE
MEMORANDUM STATED THAT THE SOLUTION WAS EITHER THE SCALING
DOWN OF THE PROPOSED LEVELS OF OPERATION, THE DEFERRING OF
A PART OF THE EXPENDITURE
OR A COMBINATION OF BOTH.
IRVING

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, FINANCIAL CRISIS, INVESTMENT CLIMATE, GOVERNMENT CORPORATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 15 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978KINGST02577
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780116-0645
Format: TEL
From: KINGSTON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780367/aaaacefj.tel
Line Count: 61
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 9956cec6-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 22 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3326951
Secure: OPEN
Status: NATIVE
Subject: TIGHT FINANCIAL SQUEEZE FOR GOVERNMENT-OWNED ENTERPRISES FORESEEN
TAGS: EINV, SOPN, EFIN, JM
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/9956cec6-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014